TENNESSEE GENERAL ASSEMBLY FISCAL REVIEW COMMITTEE

FISCAL NOTE



HB 2396

March 9, 2014

SUMMARY OF BILL: Increases the fine for driving a vehicle while transmitting or reading a written message with a hand-held mobile telephone from a maximum of \$50 to a mandated fine of \$250. Clarifies that a violation is a primary offense for which a citation shall be issued based solely upon evidence of such violation.

ESTIMATED FISCAL IMPACT:

Increase State Revenue - \$69,300

Increase Local Revenue - \$3,600

Assumptions:

- Based on information provided by the Department of Safety and Homeland Security (DOS), the number of convictions under current law is estimated to be 600 annually.
- According to DOS, the average fine is estimated to be \$15 under current law.
- Ten percent of individuals convicted under current law do not pay the fine due to indigence.
- Total fine revenue under current law is estimated to be \$8,100 (600 convictions x \$15 average fine x 90.0%)
- The higher mandated fine of \$250 will incentivize individuals to avoid a violation such that a 10 percent reduction of violations will be recognized; thus, the annual number of violations under this bill is estimated to be 540 (600 x 90%).
- Given the extent of the proposed mandated fine, it is assumed that 40 percent of violators will not be able to pay the fine due to indigence.
- Total fine revenue under this bill is estimated to be \$81,000 (540 convictions x \$250 fine x 60%)
- The total recurring increase in fee revenue is estimated to be \$72,900 (\$81,000 \$8,100).
- Five percent of fine revenue is apportioned to local government.
- The recurring increase in local revenue is estimated to be \$3,645 (\$72,900 x 5.0%).
- The recurring increase in state revenue is estimated to be \$69,255 (\$72,900 \$3,645).

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

Lucian D. Geise, Executive Director

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